

श्रसाधा रण

# EXTRAORDINARY

भाग І—खण्ड 1

PART I—Section 1

प्राधिकार से प्रकाशित

# PUBLISHED BY AUTHORITY

**सं० 4**6]

नई विल्ली, सोमवार, भार्च 18, 1968/फाल्गुन 28, 1889

No. 461

NEW DELHI, MONDAY, MARCH 18 1968/PHALGUNA 28 1889

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह प्रलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

#### MINISTRY OF COMMERCE

## PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 16th March 1968

Subject.—Conditions for licensing of Private Sector Imports under the Seventh Yen Credit (Non-Project Aid).

No. 42-ITC(PN)/68.—The conditions governing the issuance of import licences for Private Sector Imports under the Seventh (7th) Yen Credit (Non-Project Aid) from Japan as given in Appendix to this Public Notice are notified for the information of the trade.

## APPENDIX

Conditions for Licensing of Private Sector Imports under the Seventh Yen Credit (Non-Project Aid)

- 1. The import licence will be issued with an initial validity period of six months.
- 2. Firm orders must be placed on the Japanese Suppliers within 3 months of issue of the licence. If necessary, the licence may be presented for revalidation for ordering giving reasons why orders could not be placed within three months. The

request will be considered on merits and if accepted, the licence will be revalidated for ordering for further period of three months. Further revalidation will be considered only if orders have been placed.

- 3. The contract may be on C&F or C.I.F. basis. It should clearly indicate the value of the goods in YEN currency. The contract has to be approved by the Government of India and the Government of Japan for financing under the 7th Yen Credit.
- 4. Only one contract should be entered into against the full value of the import licence, and a single L/C has to be opened for the full amount of the contract. In exceptional cases, prior approval of the Department of Economic Affairs should be obtained.
- 5. The contract should provide for payment on cash basis, i.e., on presentation of shipping documents. No payments can be permitted after the 31st March, 1970.
- 6. Three copies of the contract between the Indian importer and the Japanese suppliers, signed by both the parties, should be forwarded to the Ministry of Finance, Department of Economic Affairs (AE-I Section, North Block, Central Secretariat, New Delhi) alongwith a statement (in triplicate) containing the following information for obtaining the approval of the Export-Import Bank of Japan to the Contract
  - (i) Name and address of the Indian Importer.
  - (ii) Name and address of the Japanese Suppliers.
  - (iii) Name and address of the suppliers bank in Japan and Importers, Bank of India.
  - (iv) Value of the contract in Japanese Yen and Indian rupees
  - (v) Short description of the goods to be imported.
  - (vi) A schedule indicating the probable dates and amounts of payments to be made to the supplier under the contract. The presumptions on which the schedule is based may also be indicated
- 7. The special clauses mentioned in the Annexure-I should be incorporated in the contracts.
- 8. As soon as the approval of the EXIM Bank to the financing of the contract under the Yen Credit arrangement is received, the importer will be advised to furnish a bank guarantee in the form prescribed as at Annxure-JI to the Ministry of Finance Department of Economic Affairs (AE-I Section, North Block) New Delhi to enable them to permit the opening of an irrevocable letter of credit on the Japanese Bank.
- 9. If the bank guarantee is found in order, the Indian Bank furnishing the bank guarantee will be authorised to open a letter of credit as in Annexure III. No foreign exchange remittance from India will be permitted under this Licence. The letter of credit would provide for payments to the suppliers or their bankers, by the specified Japanese Bank against the 7th Yen Credit.
  - 10 The Bank opening the letter of credit will advise its particulars to:-
    - (i) The Ministry of Finance, Department of Economic Affairs (AE-I) Section Room No. 180, North Block, New Delhi; and
    - (ti) The Counsellor (Economic) Embassy of India, Tokyo (Japan).
- 11 As and when payments are made against this licence the importers (or their bankers) will have to deposit the rupee equivalents of Yen Amounts paid along with other amounts as indicated below:—
  - (1) Rupee equivalent of the Yen payment to the suppliers, or their bank ir Japan, by applying the composite rate of conversion of one Yen equa to Rs 0.0213. (Any change in this rate will be intimated if and wher made).
  - (ii) Interest at 6 per cent per annum for the period between the date of pay ment to the supplier or bank in Japan and the actual date of deposi of the rupee equivalent for credit to the Government account (Any change in this rate will be intimated if and when made).
- 12. The amount specified in condition 10 above shall be deposited with the State Bank of India, Delhi or the Reserve Bank of India, New Delhi, or remitted by mean of demand draft in the names of the AGCR', New Delhi and drawn on the State Bank of India, Delhi, for credit to the Central Government account "T-Deposits and

Advances—Part II Deposits not bearing interest—Civil Deposits—Deposits for purchases abroad under direct payment procedure under foreign loans/credits under the detailed head "Deposits for cost of equipment, etc., obtained under the 7th Yen Credit from Japan." The demand draft mentioned above should be forwarded to the A.G.C.R., New Delhi under intimation to the Senior Accounts Officer, Ministry of Finanse, Department of Economic Affairs, Jeevan Deep Building, Parliament Street, New Delhi.

13. On completion of the payments against the letter of credit and deposit of rupee equivalents against the Bank guarantee, a report giving particulars of payments deposits will be made to the Senior Accounts Officer, Ministry of Finance, Department of Economic Affairs, Jeevan Deep Building, Parliament Street, New Delhi, requesting for release of the Bank guarantee.

'pecial Clauses to be Incorporated in the Private Sector Contracts to be Financed Under the 7th Yen Credit (Non-Project Aid)

- (a) This export/import contract is arranged in accordance with the Loan Agreement dated the 5th September. 1967, concerning the 7th Yen Credit (Non-Project Aid) to India.
- (b) This export/import contract shall become effective upon the approval of the Government of India and Government of Japan.
- (c) Payments in Yen under this contract to the exporter will be made under a confirmed irrevocable letter of credit opened in the form attached on a Japanese Bank designated for the purpose through the Importers' Bank in India.
- (d) The exporter hereby agrees to furnish such information and documents as required under the Yen Credit arrangement by the Govrnmnt of India and the Japanese participating Banks.
- (e) The exporter hereby agrees to furnish a report to the Embassy of India, Tokyo, immediately after shipment of the shipping arrangements alongwith one copy of the invoice and one copy of the Bill of Landing.

### ANNEXURE II

To

The President of India.

- 4. We..............Bank Ltd., further agree that the guarantee herein con tained shall remain in full force and effect during the period that would be taken for the performance of the said agreement/contract and that it shall continue to be enforceable till all the dues to the Government under, or by virtue of this guarantee have been fully paid and its claims satisfied or discharged.
- 6. We. ..........Bank Ltd., lastly undertake not to revoke, this guarantee during its currency except with previous consent of the Government, in writing.

Dated th	e	day of		19	
	for	r	. Bank	Ltd	

Accepted for and on behalf of the President of India by

Shri....

(Name & Designation)

Signature.

Signature.

\*\*This date shall be arrived at by adding six months to the date by which all payments to the supplier are expected to be finalised.

Note.—The value of the stamped paper on which this guarantee is to be executed is to be adjudicated by the Collector of Stamps.

### ANNEXURE III

(Name of issuing Bank in India)

Tc

(Designated Japanese Bank)

This letter of credit has been issued pursuant to Article V of the Loan Agreement dated September 5, 1967 concerning the 7th Yen Credit (Non-Project Aid) to India and in accordance with the Notice of Approval No . . . issued by the Export-Import Bank of Japan.

......

Dear	Sirs.
Dear	MILE.

We request you to advisethat we have	e opened our irrevocable
Credit No in their favour for account of	for a sum or
sums not exceeding a total of $\dots$ available by bene	ficiary's draft(s) at sight
forper cent invoice value drawn on your	(Designated Japanese
Bank), covering shipment fromtoto	of
accompanied by the following documents:	

We hereby undertake that all drafts drawn under and in compliance with the terms of the credit shall be duly honoured on due presentation and delivery of documents to the drawee.

All negotiable documents must be airmailed directly to us by your Bank. Special Instructions:

- 1. This letter of Credit does not become available unless the issuance of letter of Undertaking as provided for in Article V of the Loan Agreement dated 5th September, 1967, concerning the 7th Yen Credit (Non-Project Aid) is confirmed and certified by you to that effect on the face of your advice of this credit to the beneficiary.
- 2. Simultaneously with the payment of draft(s) under this letter of Credit, reimbursement shall be obtained by you in accordance with Article V of the said Loan Agreement.
- 3. All banking charges in connection with this Letter of Credit are to be paid by us.
- 4. The terminal date for making payments under this Letter of Credit will be

Yours faithfully.

Note.—The issuing Bank in India should notify the Department of Economic Affairs (AE-I Section) of the opening of the Letter of Credit, with a copy of the Letter of Credit opened.

P. D. KASBEKAR, Chief Controller of Imports & Exports.